

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6938**

**BILL NUMBER:** SB 339

**NOTE PREPARED:** Jan 26, 2010

**BILL AMENDED:**

**SUBJECT:** Lake Michigan Marina and Shoreline Development.

**FIRST AUTHOR:** Sen. Tallian

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☒ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill:

- (1) combines the Lake Michigan Marina Development Commission and the Shoreline Development Commission into a new entity called the Lake Michigan Marina and Shoreline Development Commission;
- (2) provides that the Lake Michigan Marina and Shoreline Development Commission has the powers and duties specified for the two predecessor commissions;
- (3) specifies the membership of the Lake Michigan Marina and Shoreline Development Commission;
- (4) repeals statutes related to an executive committee in the laws governing the Lake Michigan Marina and Shoreline Development Commission;
- (5) provides that on July 1, 2010, the rights, duties, property, personnel, liabilities, and contractual obligations of the two predecessor commissions are transferred to the Lake Michigan Marina and Shoreline Development Commission;
- (6) makes conforming amendments to the statutes referring to the two predecessor commissions; and
- (7) repeals superseded provisions.

**Effective Date:** July 1, 2010.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Summary:* The bill consolidates two separate commissions with a single commission, which potentially could reduce costs. However, if the commissions currently do not meet or have minimal expenditures, changes in the commissions could have minimal fiscal impact or could

increase costs with more frequent meetings.

*Background & Additional Information:*

The combined Lake Michigan Marina and Shoreline Development Commission is to have 24 members, including 16 voting members and 8 nonvoting members. The membership is comprised from among the members of the two predecessor commissions, with certain changes. The following information describes the existing statute concerning the predecessor commissions:

*Lake Michigan Marina Development Commission:* Under current law, the Lake Michigan Marina Development Commission (LMMDC) consists of 10 members, with 7 voting members (including the executives of Gary, Hammond, East Chicago, Portage, Michigan City, Whiting, a member appointed jointly by the executives of Burns Harbor, Porter, Ogden Dunes, Dune Acres, and Beverly Shores) and 3 nonvoting members (including the President of the Indiana Economic Development Corporation or a designee, the Director of the Department of Natural Resources, and the Director of Office of Tourism or a designee). The members of the LMMDC are not entitled to receive a per diem, but may be reimbursed for mileage or travel.

The LMMDC studies various plans and recommendations concerning marina development along the strip of land in Indiana abutting Lake Michigan and the tributaries of Lake Michigan (the corridor), prepares a comprehensive plan, recommends state and local legislation for development of marinas, and coordinates the implementation of the plan and legislation. The LMMDC may grant money to local government units for the construction or improvement of marinas that are consistent with the plans, standards, and criteria established by the LMMDC. The LMMDC prepares and adopts an annual budget that is submitted to each county, municipality, or agency appropriating money for use by the LMMDC.

*Shoreline Development Commission:* The Shoreline Development Commission (SDC) has 24 members, including the mayors of East Chicago, Gary, Hammond, Michigan City, Portage, and Whiting; 2 representatives of steel companies that own land abutting Lake Michigan; a representative of a company that is not a steel company and that owns land abutting Lake Michigan; a representative of a public utility that owns real property in counties contiguous to Lake Michigan; a representative of the Indiana Department of Environmental Management, the Department of Natural Resources, the Indiana Department of Transportation, Beverly Shores, Burns Harbor, Dune Acres, Ogden Dunes, the Northwest Indiana Advisory Board; the Port Director of the Port of Indiana-Burns Harbor; a member appointed by the Lieutenant Governor, 2 members of the Indiana House of Representatives, and 2 members of the Indiana Senate.

Members of the SDC who are state employees, but not members of the General Assembly are entitled to traveling expense reimbursement; members who are not state employees are entitled to a per diem and traveling expense reimbursement; and members of the SDC who are also members of the General Assembly are entitled to per diem, mileage, and travel allowance, which is paid from appropriations to the Legislative Council or Legislative Services Agency.

The SDC identifies qualifying properties; prepares a comprehensive master plan for development and redevelopment within the corridor, coordinates implementation of the plan, and monitors plan implementation; establishes guidelines for evaluation of applications for grants from the Shoreline Environmental Trust Fund (SETF); refers grants to the executive committee of the SDC for approval; prepares and provides information to political subdivisions on the finance assistance from the SETF; reports annually to the Governor, Lieutenant Governor, Indiana Economic Development Corporation, the Legislative

Council, and all concerned political subdivisions. The SDC also employs an executive director and other individuals necessary to carry out its functions. The executive committee of the SDC manages all functions related to the provision of grants and approves the annual budget for the SDC.

*History of the Predecessor Commissions:* In HB 1001 of 2009ss, the SDC received an appropriation of \$1.0 M per year in FY 2010 and FY 2011 for operating expenses. The SDC has met twice (May 2002 and June 2002) and has not met since.

The LMMDC provided funding for several marinas in the 1980s and 1990s, and it held, for several years, an appropriation of \$1.2 M for a marina in the city of Gary. Recently, the city of Gary initiated a design of a marina, and the LMMDC provided the \$1.2 M to the city of Gary. The LMMDC then divided the interest earnings of the money among the member communities. The LMMDC has been meeting bimonthly for the last two years.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** LMMDC; SDC.

**Information Sources:** Jody Melton, Northwest Indiana Planning Commission; HEA 1001 of 2009ss.

**Fiscal Analyst:** James Sperlik, 317-232-9866.